

PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

CLERK'S OFFICE

NOTICE OF PUBLIC NIGHT HEARINGS

DOCKET NO. 2018-319-E

Application of Duke Energy Carolinas, LLC for Adjustments in Electric Rate Schedules and Tariffs and Request for an Accounting Order

On November 8, 2018, Duke Energy Carolinas, LLC ("Duke Energy Carolinas" or the "Company") filed an Application with the Public Service Commission of South Carolina ("Commission") requesting authority to adjust and increase its retail electric rates, charges, and tariffs. The Application was filed pursuant to S.C. Code Ann. §§58-27-820 and 58-27-870 and S.C. Code Ann. Regs. 103-303 and 103-823.

In its Application, Duke Energy Carolinas seeks rate changes to increase annual revenues by 10% or \$168 million, to be updated to account for known and measurable expenses for grid investments of approximately \$16 million in 2020 and \$20 million in 2021. The Company states that recent work to modernize the electric system, generate cleaner power, responsibly manage and close coal ash basins, improve reliability, and continually improve service to customers have made it necessary to request a net increase in retail revenues. The Company's request includes \$46 million in net tax benefits resulting from the Federal Tax Cuts and Jobs Act, and \$17 million from a reduction in North Carolina state taxes allocable to South Carolina. The Company states in its Application that its request is driven by capital investments and environmental compliance progress made by the Company since its previous rate case, including the further implementation of the Company's generation modernization program, which consists of retiring, replacing and upgrading generation plants; investments in customer service technologies; and the Company's continued investments in base work to maintain its transmission and distribution systems.

Duke Energy Carolinas requests that the proposed increases be effective on June 1, 2019. According to the Company's proposal in the Application, a typical residential customer using 1,000 kWh will see an increase of approximately \$15.57 per month beginning with the rate effective date in this case, requested to be June 1, 2019, and then an increase of \$1.54 per month beginning June 1, 2020, and an additional \$1.92 per month beginning June 1, 2021, to incorporate costs for grid investments per the Grid Improvement Plan described in the Application. Page 19 of the Application describes the Grid Improvement Plan, which can be described, in part, as a long-term initiative built upon strategic, data-driven investments to improve reliability to avoid outages and speed restoration; harden the grid to protect against cyber and physical threats; and to expand solar and other innovative technologies across a two-way, smart-thinking grid. The Company proposes additional rate changes for 2020 and 2021 to reflect the remaining years of the three year plan, with costs captured in a regulatory asset for recovery between rate changes. The Company proposes an increase in the Residential Basic Facilities Charge from \$8.29 to \$28.00 per month effective June 1, 2019.

PLEASE TAKE NOTICE that the Public Service Commission, pursuant to S.C. Code Ann. Regs. 103-817 and Commission Order No. 2019-119, has scheduled public hearings in response to the above referenced docket. The following hearings will begin at 6:00 p.m. at the locations as follows:

Tuesday, March 12, 2019, Spartanburg County Council Chambers, Spartanburg County Administration Building, 366 N Church Street, Main Level, Suite 1000, Spartanburg, South Carolina 29303

Wednesday, March 13, 2019, Anderson County Council Chambers, 101 S Main Street, Anderson, South Carolina 29624

Thursday, March 14, 2019, Greenville County Council Chambers, 301 University Ridge, Suite 2400, Greenville, South Carolina 29601

Persons who wish to testify before the Public Service Commission regarding the above named Docket may do so at these hearings. Individuals shall be permitted a maximum of three (3) minutes for oral presentations. To testify as a public witness, you must print your name legibly on the Sign-In Sheet available at the hearing location and indicate that you wish to testify. All testimony will be given under oath and entered into the record of the case, subject to objection by the parties.

Please note that the commissioners will be present to listen to your testimony and statements regarding the above named Docket; however, the Code of Judicial Conduct prohibits the commissioners from answering questions regarding the above named Docket or discussing these cases with you individually.

Persons seeking further information about the Commission's procedures should contact the Commission at (803) 896-5100 or visit its website at www.psc.sc.gov.